

House Engrossed Senate Bill

FILED

KEN BENNETT

SECRETARY OF STATE

State of Arizona
Senate
Forty-ninth Legislature
Second Regular Session
2010

CHAPTER 162

SENATE BILL 1116

AN ACT

AMENDING SECTION 25-505, ARIZONA REVISED STATUTES; RELATING TO FAMILY SUPPORT DUTIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 25-505, Arizona Revised Statutes, is amended to
3 read:

4 25-505. Limited income withholding orders; definition

5 A. The department or its agent may issue a limited income withholding
6 order to any employer, payor or other holder of a nonperiodic or lump sum
7 payment that is owed or held for the benefit of an obligor. The department
8 or its agent shall serve the order in the same manner as prescribed in
9 section 25-505.01 for service of income withholding orders. The employer,
10 payor or holder shall deliver or mail by first class mail a copy of the order
11 to the obligor within ten days after service on the employer, payor or
12 holder.

13 B. The limited income withholding order shall state the amount of
14 current support and any arrearages owed by an obligor and shall direct the
15 employer, payor or holder to withhold and pay to the support payment
16 clearinghouse the amount specified in the order and not otherwise exempt by
17 law.

18 C. The limited income withholding order shall include a notice to the
19 obligor of the right to an administrative review pursuant to section 25-522.
20 The obligor, employer, payor or holder may contest the limited income
21 withholding order in the same manner prescribed in section 25-505.01 to
22 contest an income withholding order.

23 D. Notwithstanding sections ~~23-350~~ 23-351 through 23-355, the
24 employer, payor or holder who receives an income withholding order pursuant
25 to section 25-505.01 or an order of assignment pursuant to section 25-504
26 shall withhold the amount specified and transmit that amount to the support
27 payment clearinghouse immediately.

28 E. For the purposes of this section, "lump sum payment" includes:

- 29 1. Severance pay. —
- 30 2. Sick pay. —
- 31 3. Vacation pay. —
- 32 4. Bonuses. —
- 33 5. Insurance settlements. —
- 34 6. Commissions. and
- 35 7. Stock options.
- 36 8. EXCESS PROCEEDS.
- 37 9. RETROACTIVE DISABILITY PROCEEDS.
- 38 10. PERSONAL INJURY AWARDS.

APPROVED BY THE GOVERNOR APRIL 26, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 27, 2010.